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## Fifth Committee

**Summary record of the 38th meeting**
Held at Headquarters, New York, on Monday, 5 March 2007, at 10 a.m.

*Chairman*: Mr. Yousfi ..... (Algeria)
*Chairman of the Advisory Committee on Administrative and Budgetary Questions*: Mr. Saha

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*The meeting was called to order at 10.05 a.m.*

**Organization of work**

1. **The Chairman** drew attention to the proposed programme of work of the Committee for the first part of the resumed sixty-first session of the General Assembly. The proposed programme, which had been distributed informally, had been prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/61/L.33).

2. **Mr. Woeste** (Germany), speaking on behalf of the European Union, the candidate countries Croatia and Turkey; the stabilization and association process countries Albania and Serbia; and, in addition, Liechtenstein and Norway, said that the European Union had frequently stated its view that the Committee should be able to complete its business by the scheduled date of 30 March 2007 without having to meet outside normal working hours. The Committee must shoulder its responsibility for promoting efficient management and efficient use of resources, as being of particular importance in ensuring that its decision-making was sound, open, transparent, and inclusive.

3. The European Union had determined three priorities within the Committee's proposed programme of work. The first, connected with the Organization's responsibility towards its staff, covered the urgent matter of reform of the administration of justice; safety and security issues; and funding of the liabilities for after-service health insurance. The second, connected with peace and security, was the discussion of the requested budgetary allocations for peacekeeping missions and special political missions. The third, connected with the transparency, accountability and external controls which the Organization required to fulfil its many functions, covered various issues, including the establishment of an Independent Audit Advisory Committee (IAAC) and increasing the operational independence of the Office of Internal Oversight Services (OIOS).

4. **Mr. Hussain** (Pakistan), speaking on behalf of the Group of 77 and China, said that, while the Group hoped that the Committee would build on the progress made at the main part of the sixty-first session, it was concerned that important reports had been issued late or were still awaited. The Secretariat's failure to issue documentation in accordance with the rules of procedure of the General Assembly left the Member States and the Advisory Committee on Administrative and Budgetary Questions (ACABQ) with too little time and affected the quality of the Committee's deliberations.

5. The Bureau should work with the Secretariat and the Advisory Committee to ensure that reports for the current part of the resumed session were issued promptly, and that those for the second part of the resumed session were issued at least six weeks in advance. While the briefings provided by Secretariat officials in informal consultations helped the Committee to master complex issues, it was also important for written responses to the questions put by Member States in informal consultations to be provided promptly.

6. The Group hoped for speedy progress on the administration of justice, the strengthening of OIOS, operationalization of the Independent Audit Advisory Committee, and the budgets of peacekeeping operations. Using the negotiating framework of the Committee, the oversight role of the Member States should be reinforced. Dialogue to that end should be conducted on the basis of the sovereign equality of Member States.

7. **Mr. Lara Peña** (Dominican Republic), speaking on behalf of the Rio Group, said that the proposed programme of work reflected the numerous important issues requiring decisions. Many were part of ongoing efforts to enable the Organization to function as a modern entity, fulfil its obligations under the Charter and cope with increasing expectations. Sufficient time must be allowed for all agenda items to be considered, and documentation must be provided in a timely manner, in keeping with the mandates of the General Assembly.

8. The outmoded and dysfunctional internal system of justice must be revamped, befitting the principle that the staff were the Organization's most valuable asset. The Group looked forward to a constructive debate on the basis of General Assembly resolution 59/283 on the administration of justice at the United Nations, the proposals of the Redesign Panel on the United Nations system of administration of justice, the comments of the Secretary-General and the observations of the Advisory Committee. A decentralized system which made the most of available resources would be advantageous and more effective.

9. With an eye to improving efficiency, oversight, accountability and professionalism in the Organization as a whole, the Group looked forward to discussing operationalization of the Independent Audit Advisory Committee, the liabilities attaching to after-service health insurance, and conditions of service and compensation for members of the International Court of Justice and judges and ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda. Recalling that the General Assembly, at its sixtieth session, had requested the Joint Inspection Unit (JIU) to continue to enhance dialogue with participating organizations and thereby to strengthen the follow-up of the implementation of its recommendations, in particular on managing for results and to include in future annual reports more information on the impact of full implementation of recommendations, including any cost savings, productivity and efficiency gains achieved, the Group was interested in learning what progress had been made in those areas and in efforts to recognize and exploit the abilities of the Joint Inspection Unit.

10. Recognizing that efficiency improvements must be pursued at all levels of peacekeeping operations, the Group urged that adequate funding should be provided for the operations in Burundi, Lebanon and Timor-Leste. It also recognized the value of information and communication technology as a management strategy tool to guide reform, to improve efficiency by streamlining administrative processes and simplifying rules and procedures, and to increase accountability and transparency. A robust information and communication technology should be developed, relying on best practices and experience, to address the increasing dependence of the Organization on effective management of information.

11. Recalling that the General Assembly, at its fifty-ninth session, had requested the Secretary-General to report to it at its sixty-first session on measures taken to improve the operational administration of existing cost-sharing arrangements and on the possibility of further integration and rationalization of the security management system, the Group affirmed that issues of safety should be accorded the value they deserved, and that the Department of Safety and Security must have adequate funds to protect staff and enable them to fulfil the mandates entrusted to them. While perimeter security at Headquarters and other duty stations was the responsibility of the host country, internal security was the responsibility of the Organization.

12. **Mr. Saizonou** (Benin), speaking on behalf of the African Group, said that the Group welcomed the commitment of all the stakeholders involved to strengthening the Organization. However, it was concerned that the late issuance of reports made it difficult for Member States to prepare for the session. The time had come to make a positive change, and to address a perennial problem which affected the performance of the Committee. The six-week rule for the issuance of documents must be observed, in accordance with the General Assembly's rules of procedure and with its resolution 53/208 B on the pattern of conferences. The priorities facing the Committee at the first part of the resumed sixty-first session included the administration of justice and a range of efforts to make the Organization more effective.

13. **Mr. Berti Oliva** (Cuba) said that his delegation recalled the request, made by the General Assembly in section XVII of its resolution 61/244 on human resources management, for the Secretary-General to report to it at the first part of its resumed sixty-first session on proposals to address the imbalance in the geographical distribution of the staff of the Office of the United Nations High Commissioner for Human Rights (OHCHR), and wondered in that connection why no report appeared in the Committee's programme of work or in the note on the status of preparedness of documentation for the first part of the resumed sixty-first session (A/C.5/61/L.33). The Office of Human Resources Management should provide an explanation at a formal meeting of the Committee.

14. **Mr. Abelian** (Secretary of the Committee) said that the Bureau had been informed, in a memorandum of which the Committee was aware, that the Secretary-General was currently unable to issue a report in response to the request by the General Assembly in its resolution 61/244. As General Assembly resolution 61/159 on the composition of the staff of the Office of the United Nations High Commissioner for Human Rights, which had originated in the Third Committee, referred to the same subject matter, further consultations between the Office of Human Resources Management and the Office of the United Nations High Commissioner for Human Rights were required to resolve incompatibilities between the two resolutions. Furthermore, the Joint Inspection Unit had

incorporated the matter into its programme of work, which would be presented to the Committee at its following meeting. Consequently, the Secretary-General intended to report to the General Assembly at the second part of the resumed sixty-first session.

15. **Mr. Berti Oliva** (Cuba) said that, as his delegation did not understand the explanation given in the memorandum concerned of the incompatibilities between the resolutions, he still wished the Office for Human Resources Management to provide an explanation, at a formal meeting of the Committee, of the failure to provide the General Assembly with the report requested.

16. **The Chairman** said he took it that the Committee wished to approve the proposed programme of work on the understanding that the Bureau would take into account the views expressed and make the necessary adjustments.

17. *It was so decided.*

**Agenda item 116: Review of the efficiency of the administrative and financial functioning of the United Nations** (*continued*)

*Report of the Office of Internal Oversight Services on the audit and investigative reviews of the tsunami relief operations conducted by the United Nations Secretariat, funds and programmes and specialized agencies* (A/61/669)

18. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services) said that the report of OIOS on the audit and investigative reviews of the tsunami relief operations (A/61/669), provided in response to the request made by the General Assembly in its resolution 60/259 on the report of the Secretary-General on the activities of the Office of Internal Oversight Services, gave an assessment of internal control and risk management arrangements in the relief operations and highlighted concerns associated with the oversight of complex inter-agency programmes.

19. While OIOS had hoped to provide a consolidated report showing the achievements of the United Nations as a whole in the areas destroyed by the tsunami, and indicating whether activities and the use of resources had been efficient, effective and ethically sound, the funds and programmes and specialized agencies had declined to share their internal audit reports, which were restricted to their respective management and governing bodies. There was in fact no established protocol or coordinating mechanism for sharing and consolidating oversight information among the various entities of the United Nations system. The Advisory Committee, in its report on the comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialized agencies (A/61/605), had recommended that the General Assembly should request the Secretary-General, as Chairman of the Chief Executives Board for Coordination (CEB), to make proposals to the General Assembly on how to address that issue.

20. The Organization had incorporated several accountability mechanisms into tsunami relief operations, but OIOS had found some to be in need of refinement. For example, expenditure tracking had not been planned to present a comprehensive and adequate view of the use of resources, and, while a consulting firm had provided pro bono services to strengthen management of funds, its time could have been more profitably spent if an integrated risk assessment, involving all participating entities, had first been performed. While several United Nations agencies had established their own mechanisms to reduce vulnerability to fraud and corruption in their own programmes, no common risk policy had been formulated by the Secretariat, funds and programmes and specialized agencies for approval by the General Assembly, so efforts to identify and manage risk were piecemeal rather than integrated.

21. The report of OIOS contained three recommendations to strengthen management, oversight, internal control and risk management of tsunami programmes. Moreover, OIOS held the firm opinion that the Secretary-General should formulate and submit to the General Assembly for approval an internal control policy for the United Nations system which made the commitment to transparency and accountability fully effective. The policy should set out the different components of internal control and the responsibilities of management. It should also include requirements for joint oversight.

22. **Mr. Woeste** (Germany), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Serbia; and, in addition, Norway and Ukraine, expressed regret that, despite its efforts, OIOS had faced difficulties in producing the consolidated report

requested in General Assembly resolution 60/259. At the same time, he welcomed the effective cooperation between the Board of Auditors and OIOS aimed at avoiding duplication.

23. The European Union appreciated, and was ready to consider, the recommendations put forward by OIOS, bearing in mind, inter alia, the respective roles of the United Nations Secretariat, funds and programmes and specialized agencies and their governing bodies, as well as of their internal and external oversight entities.

24. Lastly, the European Union noted the oversight activities of OIOS with regard to the Office for the Coordination of Humanitarian Affairs (OCHA) in Indonesia, and the Office of the United Nations High Commissioner for Refugees (UNHCR) in Indonesia and Sri Lanka, and was pleased to learn that most OIOS recommendations had been implemented by the bodies concerned.

25. **Mr. Hussain** (Pakistan), speaking on behalf of the Group of 77 and China, said that the report provided useful insight into the fragile state of coordination among internal oversight bodies across the United Nations family. He agreed that, in accordance with Articles 57, 58 and 63 of the Charter, the United Nations funds and programmes and specialized agencies were accountable to the General Assembly, which also provided a framework for a coordination mechanism for complex projects such as tsunami relief operations. The Group reiterated its strong support for the Assembly's oversight role.

26. It was regrettable that the funds and programmes and specialized agencies had used procedural impediments to prevent information from being shared with OIOS and that the Secretary-General had not exercised his authority as Chairman of the Chief Executives Board to facilitate the exchange of such information. It would seem to be a deliberate attempt to undermine the Assembly's oversight role.

27. It was also regrettable that the Assembly had been deprived of critical information concerning transparency and accountability measures put in place by the funds and programmes and specialized agencies in the use of public funds. The lack of transparency in the handling of such funds had harmed the image of, and eroded public confidence in, the Organization. Given the constraints under which OIOS had had to fulfil its mandate, the Group deeply appreciated its report, which, though falling short of the General Assembly's request, provided a sound basis for addressing a number of long-standing systemic issues.

28. The Group's concerns at the lack of transparency and accountability of funds and programmes management were reinforced by the report, which clearly indicated the lack of coordination among the oversight bodies of the United Nations Secretariat, funds and programmes and specialized agencies. The arrangements proposed in the past by the General Assembly, on the recommendation of the Secretary-General (A/61/669, paras. 13 and 14), had not been effective in ensuring a well-defined coordination arrangement among internal oversight bodies.

29. The Group noted with concern that the four major initiatives aimed at ensuring transparency and accountability in the context of tsunami relief operations (A/61/669, para. 20) had not been fully implemented, since the design of some of the controls needed to be refined and the internal control policy formulated in a single document and communicated to all stakeholders. The Group was also concerned that the OCHA expenditure tracking system covered only 8.4 per cent of the $13 billion in contributions received for relief and reconstruction.

30. The Group appreciated the report of the Board of Auditors (A/61/182), which contained, inter alia, the results of its audits of the tsunami relief activities of several United Nations entities, as well as the reference to some of the Board's findings in the OIOS report. The Group supported coordination between the Board of Auditors and OIOS within their respective mandates and regretted the fact that the Secretariat had used the external audit as a reason not to cooperate with OIOS. The Board's report should not be seen as a substitute for the consolidated OIOS report requested in resolution 60/259. The Group noted with concern the Board's observations regarding deficiencies in monitoring financial flows, as contained in paragraph 23 of the OIOS report (A/61/669). Those observations provided a firm foundation for the comprehensive internal control framework. The Group looked forward to considering the Board's full audit report, once it had been finalized.

31. The Group was particularly concerned that such a complex and multidimensional operation had been carried out without a cohesive internal control policy, with clearly defined components of internal control and

management responsibility for controlling the operations of the organizations, action on the part of management to fulfil those responsibilities, and accountability in the use of public resources. The United Nations should put in place such a comprehensive framework before taking on responsibility for other major operations. Measures were also needed to avoid duplication and competition in the delivery of assistance during major disasters. In that regard, he requested the Secretary-General to initiate the formulation of a comprehensive internal control policy that could govern all aspects of large-scale and complex operations in collaboration with OIOS, the funds and programmes and specialized agencies, and to report to the General Assembly. Consideration should also be given to including those aspects in the report to be submitted pursuant to resolutions 60/260 and 61/245.

32. Lastly, he lamented the fact that no senior management representatives were available to explain the reasons for the lack of cooperation with OIOS. His delegation requested that a high-level Secretariat representative should respond at a formal meeting to the concerns raised. In particular, he wished to know why the Secretary-General had not been allowed to ask the heads of the funds and programmes and specialized agencies to share their information with OIOS and to what extent the report of the Board of Auditors was seen as a substitute for the report requested in resolution 60/259.

33. **Mr. Hillman** (United States of America) said that the report of OIOS underscored the troubling lack of a coordination mechanism for sharing oversight information among the various entities of the United Nations system. That deficiency must be addressed in order to ensure transparency and accountability in the receipt and use of donor contributions in response to future emergencies. While the former Secretary-General and other senior United Nations officials bore responsibility for failing to communicate clearly to the heads of the funds and programmes and specialized agencies the need to cooperate and share relevant information with OIOS, the Member States must also acknowledge their own shortcoming in not having more forcefully demanded and legislated full collaboration among the oversight bodies of the various entities of the United Nations system.

34. The report made a number of recommendations to address the weaknesses in the current system and strengthen management, oversight and internal control among the Secretariat, the funds and programmes, and the specialized agencies. The General Assembly must take action on those issues as a matter of urgency, in order to have in place an effective framework for managing and exercising appropriate oversight of future complex inter-agency programmes.

35. **Ms. Preti** (Switzerland) expressed regret that, despite its efforts, OIOS had been unable to produce a consolidated report, as requested in resolution 60/259. In view of the contradictory opinions still found in the report, particularly regarding the rules governing the sharing of audit information, her delegation would welcome further clarifications.

36. Noting that little progress had been made in establishing a formal oversight coordination mechanism between the internal audit divisions of the funds and programmes and OIOS, she said that it was unfortunate that the requested limited review of the tsunami relief operation would not be able to serve as a model for future cross-agency collaboration, even though it would seem that cooperation between the Board of Auditors and OIOS had been effective.

37. Lastly, her delegation welcomed the three recommendations put forward by OIOS. However, while their implementation could set a framework and policy, they would not resolve all the overarching problems in oversight coordination.

38. **Mr. Golovinov** (Russian Federation) said that the report contained important information and a number of useful recommendations. The issues raised in the report regarding the need to improve interaction among the oversight services of the various entities of the United Nations system required further consideration and appropriate decisions by Member States. However, full account needed to be taken of the prerogatives of management bodies, particularly of the operational funds and programmes. Proposals aimed at improving cooperation among oversight services within the United Nations should be discussed by the Executive Boards of the funds and programmes before being submitted to the General Assembly for adoption by Member States.

**Agenda item 117: Programme budget for the biennium 2006-2007 (*continued*)**

***Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice, judges of the International Criminal Tribunal for the Former Yugoslavia, judges of the International Criminal Tribunal for Rwanda, ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and ad litem judges of the International Criminal Tribunal for Rwanda***
**(A/61/554; A/61/612 and Corr.1)**

39. **Ms. Brzák-Metzler** (Chief, Conditions of Service Section), introducing the report of the Secretary-General on conditions of service and compensation for officials other than Secretariat officials (A/61/554), said that the General Assembly, by its resolution 59/282, had decided that the conditions of service and compensation for the members of the International Court of Justice and the judges and ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda should next be reviewed at its sixty-first session.

40. Referring first to chapter II of the report, on remuneration, she said that paragraphs 3 to 17 recalled the legislative basis for setting the level of remuneration for the members and ad hoc judges of the International Court of Justice and the judges and ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the fact that, at its fifty-ninth session, the General Assembly had decided to increase the annual salary of the members of the Court and the judges and ad litem judges of the two Tribunals by 6.3 per cent, from $160,000 to $170,080 per annum, effective 1 January 2005. Paragraphs 18 to 26 focused on adjustments for currency fluctuations, the weakening of the United States dollar over the last four years, and the decision to maintain, for those judges serving in The Hague, the floor/ceiling exchange rates of the euro vis-à-vis the United States dollar at the 2003 levels, pending review of the level of remuneration by the General Assembly at its sixty-first session.

41. Chapter III of the report discussed other conditions of service, including the special allowance of the President and Vice-President when acting as President, assistance with education costs, health insurance, survivors' benefit, travel and subsistence regulations, issues related to the hardship classification of the duty station and retirement benefits. Paragraphs 46 to 51 provided a summary of the in-depth review of the pensions of members of the International Court of Justice and recalled that, at its fifty-third session, the General Assembly had decided that the annual pension of a member of the Court should be based on half the annual salary of a judge who had completed a full, nine-year term, with a proportional reduction for a judge who had not completed a full term, and that pensions in payment should be automatically revised by the same percentage and at the same date as salary adjustments. Paragraphs 58 to 63 addressed the pension benefit for the judges of the two Tribunals, including the Advisory Committee's recommendation that such benefit should be based on that of members of the Court, prorated to account for the difference in the terms served by the members of the Court (nine years) and the judges of the Tribunals (four years). Paragraphs 60 to 62 reported the concerns of the two Tribunals relating to the disparity between the pension benefits of their judges and those of members of the Court. Paragraphs 64 to 75 described the conditions of service of the ad litem judges.

42. Chapter IV contained the outcome of the review of entitlements and set out recommendations, including the introduction of a mechanism similar to the one pertaining to salaries of staff in the Professional and higher categories, namely a net base salary with a corresponding post adjustment amount per index point equal to 1 per cent of net base salary at each level and step of the salary scale (para. 80) and, if that proposal was endorsed, the discontinuation of the application of the floor/ceiling mechanism to regulate emoluments against the weakening/strengthening of the United States dollar against the euro (para. 83); an increase in the special allowance of the President from $15,000 to $20,000 per year, and of the Vice-President when acting as President from $94 to $125 per day, for both the Court and the Tribunals (para. 86); the updating of the education grant to that applicable to staff in the Professional and higher categories effective 1 January 2007 (para. 88); the updating of travel and subsistence regulations to reflect current practice regarding the payment of the assignment grant (para. 92); and an increase in the retirement benefits and pensions in payment of the members of the Court and the judges of

the Tribunals, should there be an increase in the annual base salary (paras. 94, 95 and 97).

43. As mentioned in paragraph 96 of the report, the Secretary-General had taken note of the concerns of the Tribunals regarding the disparity between the pension benefits of their judges and those of the Court and had expressed the view that, as the General Assembly was the sole authority to determine the conditions of service and pension benefits of the judges of the Tribunals, the matter should be brought once again to its attention.

44. Paragraphs 97 to 132, on pensions in payment, provided a summary of the review undertaken. Noting that pension benefits were denominated in United States dollars, the Secretary-General was proposing that members of the Court and judges of the two Tribunals and survivors in receipt of a pension benefit who were residing in a non-United States dollar country or zone should be given the option of having their pension benefit converted from United States dollars to the local currency using the 36-month average exchange rate established by the United Nations Joint Staff Pension Fund (UNJSPF), thereby helping to offset the impact of exchange rate fluctuations (para. 130). No changes were proposed to arrangements for ad hoc judges or to conditions of service for ad litem judges as a result of the current periodic review (paras. 133 and 134 respectively).

45. Chapter V of the report regarding financial implications indicated estimated programme budget implications for 2006-2007 of $2,186,500.

46. Lastly, paragraph 136 recalled that, in its resolution 59/282, the General Assembly had decided that the conditions of service and compensation for the members of the International Court of Justice and the judges and ad litem judges of the two International Tribunals would next be reviewed at its sixty-first session. Should the General Assembly decide to revert to the three-year review cycle, the next comprehensive review by the Assembly would be undertaken at its sixty-fourth session, in 2009.

47. **Mr. Saha** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/61/612 and Corr.1), said that the General Assembly periodically conducted a comprehensive review of the conditions of service of the members of the International Court of Justice and the judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda.

48. Recalling that the Secretary-General's report (A/61/554) contained a number of proposals in response to General Assembly resolution 59/282, including mechanisms for adjusting remuneration, he said that, although the Advisory Committee had stated its opinion on some of those proposals, it was for the General Assembly to set the conditions of service of the members of the Court and the judges of the Tribunals.

49. With respect to the level of remuneration, the Secretary-General had proposed that Member States might wish to introduce a post adjustment system similar to the one for salaries of staff in the Professional and higher categories to allow for currency fluctuations and cost of living. The Advisory Committee was of the opinion that the Secretary-General's proposal, which used current net remuneration as the base salary without taking into account the fact that current net remuneration already included a cost-of-living component, unduly inflated the remuneration calculated under a post adjustment system. The Advisory Committee therefore recommended that the Secretary-General should be requested to put forward alternative proposals.

50. The Advisory Committee had no objection to the Secretary-General's proposal to extend to the members of the International Court of Justice and to the judges of the International Tribunals the increases in the level of the education grant recommended by the International Civil Service Commission (ICSC) in paragraph 62 of its 2006 report (A/61/30), which had been approved by the General Assembly in its resolution 61/239.

51. The Secretary-General had also proposed that the level of the special allowance of the President of the Court and the Vice-President when acting as President should be increased by approximately 30 per cent to bring the rate of the allowance up to the 10-per cent level applied at the International Criminal Court. The Advisory Committee recommended against the proposal, since additional resource requirements should be justified on the basis of real needs and expenditure patterns.

52. Regarding the protection of the level of pensions in payment, the Advisory Committee recommended

acceptance of the Secretary-General's proposal to apply a 36-month average exchange rate established by the United Nations Joint Staff Pension Fund for retirees and survivors residing in non-United States dollar countries. However, the method should be adopted on the understanding that retirees and survivors would be given a one-time option to request conversion of their pension into another currency, rather than on an annual basis.

53. Finally, with respect to pension benefits, the Presidents and Registrars of the Tribunals had proposed amendments to annex II to General Assembly resolution 58/264, whereby those benefits would be determined on the basis of years of actual service. The Advisory Committee was of the opinion that the pension benefits of the judges of the International Tribunals should be decided by the General Assembly.

54. **The Chairman** drew the Committee's attention to a letter dated 2 March 2007 from the President of the International Criminal Tribunal for Rwanda addressed to the Chairman, stating that the judges of the Tribunal strongly supported the Secretary-General's proposals.

55. **Mr. Woeste** (Germany), speaking on behalf of the European Union, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Serbia; and, in addition, Ukraine, said that the courts and tribunals of the United Nations were enhancing the Organization's prestige and that the decisions handed down by the judges had contributed to the development of public international law.

56. The European Union had taken note of the Secretary-General's comprehensive report and, in particular, the proposal to apply the post adjustment system for the remuneration of judges of the International Court of Justice and the International Tribunals. In the view of the fact that judges were elected members of a main body of the United Nations and exercised a special function, their compensation and conditions of service must be determined by the General Assembly, taking into account the Advisory Committee's views, as set out in its related report (A/61/612).

57. **Mr. Hussain** (Pakistan), speaking on behalf of the Group of 77 and China, said that, to date, the General Assembly had succeeded in offering a compensation package to the judges of the International Court of Justice and the International Tribunals that was commensurate with their responsibilities and ensured their independence. Every effort must be made to ensure that the compensation package was protected against factors that might undermine its net value.

58. The Group supported the provision in the Statute of the International Court of Justice whereby the salaries and allowances of the judges were fixed by the General Assembly and could not be decreased during the term of office. It also supported the principle of equity in benefits for the judges of the International Court and the Tribunals. The Group remained concerned that, while the salaries of the judges of the International Court of Justice and of the International Criminal Tribunal for the Former Yugoslavia had been protected against fluctuations in exchange rates and consumer price indices, no specific measures were in place to protect the salaries of the judges of the International Criminal Tribunal for Rwanda.

59. Although the Secretary-General's report underlined some of the complex issues involved, further clarification would be required with respect to the application of floor/ceiling mechanisms, differences in salaries and allowances and disparities in the pension benefits for different categories of judges. The General Assembly, in consultation with ICSC, should consider developing a concrete and well-defined mechanism to regulate the conditions of service and compensation for officials other than Secretariat officials.

60. The Group wished to clarify that any decisions regarding increases in the salaries and other allowances of the judges of the International Court of Justice and the International Tribunals should not constitute a precedent for any other category of judges working within the United Nations system. All other cases should be dealt with according to the prescribed procedures.

61. **Mr. Saizonou** (Benin), speaking on behalf of the African Group, said that the Group had taken note of the Secretary-General's proposals but would appreciate further elaboration in informal consultations.

62. He also noted that the Secretary-General had proposed a mechanism to the General Assembly, with programme budget implications for the biennium 2006-2007, that would cover remuneration and other conditions of service. Although the Group would support any mechanism that addressed disparities

resulting from changes in consumer price indices and currency fluctuations in the different duty stations, it would seek further clarification of the Advisory Committee's views (A/61/612) in informal consultations.

63. **Mr. Wallace** (United States of America) said that his delegation agreed with the Advisory Committee that the Secretary-General's proposal to introduce a post adjustment system similar to the one for salaries of staff in the Professional and higher categories to allow for currency fluctuations and cost of living would unduly inflate the remuneration of the members of the Court and judges of the Tribunals. Although it was clear that increases in the cost of living and exchange rate fluctuations could negatively impact the purchasing power of the remuneration, alternative mechanisms should be investigated and presented to the General Assembly at its sixty-second session, as recommended by the Advisory Committee.

64. With respect to the Secretary-General's recommendation that the special allowances for the Presidents of the International Court of Justice and the International Tribunals should be increased from $15,000 to $20,000 per year and that the special allowance paid to the Vice-Presidents of those courts when acting as President should be increased from $94 a day to $125, the same increases had been proposed in the review conducted at the fifty-sixth session of the General Assembly. At that time and again during the current review, the Advisory Committee had found that the increases were not justified; his delegation concurred with that assessment.

65. Regarding the level of the education grant, he agreed with the Advisory Committee's recommendation that all conditions of service should be considered together as part of the periodic review by the General Assembly and not linked to any developments with regard to staff. With respect to health insurance, the provisions made by the Organization for the judges of the Tribunal to participate in an appropriate United Nations medical insurance plan, at full premium, were satisfactory.

66. His delegation strongly supported the view of the Secretary-General and the Advisory Committee that the travel and subsistence regulations for the members of the Court should be reviewed and updated in line with the current standards of the Organization, as they had not been reviewed since their approval by the General Assembly in 1982.

67. He appreciated the recommendation by the Secretary-General and the Advisory Committee that retirement benefits should be discussed in the appropriate forum, namely the General Assembly. However, he would like to receive further input from the Advisory Committee, as it had neglected to offer a recommendation on the matter in its most recent report.

68. Regarding the effect of exchange rates on the level of pensions for judges and surviving spouses, he was concerned about the frequent revisions that could result from the Secretary-General's proposal; although there was merit in the Advisory Committee's recommendation to allow a one-time choice for selecting the currency of the pension, the matter required further discussion.

69. **Ms. Kuroda** (Japan) said that her delegation agreed with the Advisory Committee's recommendations in respect of the level of annual remuneration.

70. Regarding the retirement benefits of the judges of the International Tribunals and those of the International Court of Justice, the disparity reflected the different legal status of the Tribunals and the Court, the latter having been established under the Charter as a principal organ of the United Nations. The General Assembly had consistently endorsed the Advisory Committee's recommendations on the matter and there was no reason to change that policy.

71. **Mr. Shalita** (Rwanda) said his delegation had taken note of the Advisory Committee's recommendations in respect of the level of remuneration of the judges of the Tribunals. He emphasized the need for equity between the two Tribunals as well as equity between the Tribunals and the Court and pointed out that the issues before the three bodies were of equal importance to the General Assembly. It was therefore imperative that the disparity in the amounts and basis of calculation of retirement benefits for the judges of the Court and the two Tribunals should be addressed.

*The meeting rose at 11.45 a.m.*